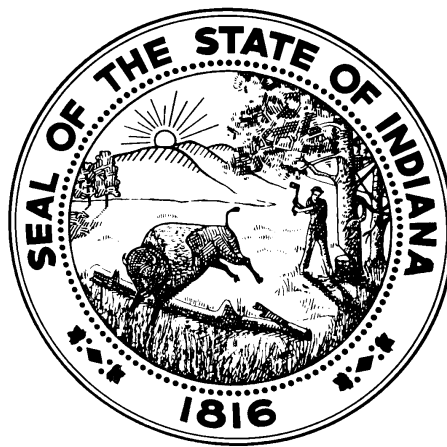


**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT
OF
IRVINGTON COMMUNITY SCHOOL
MARION COUNTY, INDIANA
July 1, 2005 to June 30, 2007



FILED
04/25/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of School	Timothy P. Ehgott	07-01-05 to 06-30-08
Treasurer	Jeffrey Walk Cynthia Sum (Interim) David Nidiffer	07-01-05 to 09-22-06 09-23-06 to 10-31-06 11-01-06 to 06-30-08
President of the Board	Leslie Hiner	07-01-05 to 06-30-08



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Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF IRVINGTON COMMUNITY SCHOOL, MARION COUNTY, INDIANA

We have examined the financial information presented herein of Irvington Community School (School Corporation), for the period of July 1, 2005 to June 30, 2007. The School Corporation's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the School Corporation for the years ended June 30, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Funding Progress, as listed in the Table of Contents, is not a required part of the basic financial information but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Supplementary Information, as listed in the Table of Contents, was presented for additional analysis and is not a required part of the basic financial information. The Supplementary Information has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on the Supplementary Information.

STATE BOARD OF ACCOUNTS

January 28, 2008

IRVINGTON COMMUNITY SCHOOL
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2006

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Totals
Governmental activities:				
Instruction	\$ 1,456,771	\$ -	\$ 4,072	\$ (1,452,699)
Support services	2,341,135	74,719	47,394	(2,219,022)
Community services	25,096	-	-	(25,096)
Nonprogrammed charges	7,246	-	-	(7,246)
Debt service	483,468	-	-	(483,468)
Total governmental activities	<u>\$ 4,313,716</u>	<u>\$ 74,719</u>	<u>\$ 51,466</u>	<u>(4,187,531)</u>
General receipts:				
Property taxes				640,469
Other local sources				210,293
State aid				1,344,064
Bonds and loans				2,051,672
Grants and contributions not restricted to specific programs				73,176
Investment earnings				<u>7,033</u>
Total general receipts				<u>4,326,707</u>
Change in net assets				139,176
Net assets - beginning				<u>394,663</u>
Net assets - ending				<u>\$ 533,839</u>
<u>Assets</u>				
Cash and investments				\$ 468,561
Restricted assets:				
Cash and investments				<u>65,278</u>
Total assets				<u>\$ 533,839</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 65,278
Unrestricted				<u>468,561</u>
Total net assets				<u>\$ 533,839</u>

The accompanying notes are an integral part of the financial information.

IRVINGTON COMMUNITY SCHOOL
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS
For the Year Ended June 30, 2007

Functions/Programs	Disbursements	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Totals
Governmental activities:				
Instruction	\$ 2,047,024	\$ -	\$ 4,579	\$ (2,042,445)
Support services	3,042,317	98,333	57,315	(2,886,669)
Nonprogrammed charges	4,106	-	-	(4,106)
Debt service	756,930	-	-	(756,930)
Total governmental activities	<u>\$ 5,850,377</u>	<u>\$ 98,333</u>	<u>\$ 61,894</u>	<u>(5,690,150)</u>
General receipts:				
Property taxes				732,884
Other local sources				380,284
State aid				1,950,576
Bonds and loans				2,243,461
Grants and contributions not restricted to specific programs				119,742
Investment earnings				<u>27,745</u>
Total general receipts				<u>5,454,692</u>
Change in net assets				(235,458)
Net assets - beginning				<u>533,839</u>
Net assets - ending				<u>\$ 298,381</u>
<u>Assets</u>				
Cash and investments				\$ 73,490
Restricted assets:				
Cash and investments				<u>224,891</u>
Total assets				<u>\$ 298,381</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 224,891
Unrestricted				<u>73,490</u>
Total net assets				<u>\$ 298,381</u>

The accompanying notes are an integral part of the financial information.

IRVINGTON COMMUNITY SCHOOL
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2006

	General	Debt Service	Other	Totals
Receipts:				
Local sources	\$ 818,632	\$ 163	\$ 113,719	\$ 932,514
State sources	1,348,136	-	3,702	1,351,838
Federal sources	-	-	116,868	116,868
Bonds and loans	1,916,193	-	135,479	2,051,672
Total receipts	4,082,961	163	369,768	4,452,892
Disbursements:				
Current:				
Instruction	1,153,106	-	303,665	1,456,771
Support services	2,182,459	-	158,676	2,341,135
Community services	25,096	-	-	25,096
Nonprogrammed charges	7,246	-	-	7,246
Debt services	483,468	-	-	483,468
Total disbursements	3,851,375	-	462,341	4,313,716
Excess (deficiency) of receipts over disbursements	231,586	163	(92,573)	139,176
Other financing sources (uses):				
Transfers in	-	65,115	76	65,191
Transfers out	(65,115)	-	(76)	(65,191)
Total other financing sources (uses)	(65,115)	65,115	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	166,471	65,278	(92,573)	139,176
Cash and investments - beginning	391,487	-	3,176	394,663
Cash and investments - ending	\$ 557,958	\$ 65,278	\$ (89,397)	\$ 533,839
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	\$ 557,958	\$ -	\$ (89,397)	\$ 468,561
Restricted assets:				
Cash and investments	-	65,278	-	65,278
Total cash and investment assets - ending	\$ 557,958	\$ 65,278	\$ (89,397)	\$ 533,839
<u>Cash and Investment Fund Balance - Ending</u>				
Restricted for:				
Debt service	\$ -	\$ 65,278	\$ -	\$ 65,278
Unrestricted	557,958	-	(89,397)	468,561
Total cash and investment fund balance - ending	\$ 557,958	\$ 65,278	\$ (89,397)	\$ 533,839

The accompanying notes are an integral part of the financial information.

IRVINGTON COMMUNITY SCHOOL
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2007

	General	Debt Service	Other	Totals
Receipts:				
Local sources	\$ 1,035,452	\$ 3,337	\$ 200,456	\$ 1,239,245
State sources	1,955,155	-	5,692	1,960,847
Federal sources	-	-	171,366	171,366
Bonds and loans	2,243,461	-	-	2,243,461
Total receipts	5,234,068	3,337	377,514	5,614,919
Disbursements:				
Current:				
Instruction	1,887,183	-	159,841	2,047,024
Support services	2,975,415	-	66,902	3,042,317
Nonprogrammed charges	4,106	-	-	4,106
Debt services	756,930	-	-	756,930
Total disbursements	5,623,634	-	226,743	5,850,377
Excess (deficiency) of receipts over disbursements	(389,566)	3,337	150,771	(235,458)
Other financing sources (uses):				
Transfers in	-	156,276	-	156,276
Transfers out	(156,276)	-	-	(156,276)
Total other financing sources (uses)	(156,276)	156,276	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(545,842)	159,613	150,771	(235,458)
Cash and investments - beginning	557,958	65,278	(89,397)	533,839
Cash and investments - ending	\$ 12,116	\$ 224,891	\$ 61,374	\$ 298,381
<u>Cash and Investment Assets - Ending</u>				
Cash and investments	\$ 12,116	\$ -	\$ 61,374	\$ 73,490
Restricted assets:				
Cash and investments	-	224,891	-	224,891
Total cash and investment assets - ending	\$ 12,116	\$ 224,891	\$ 61,374	\$ 298,381
<u>Cash and Investment Fund Balance - Ending</u>				
Restricted for:				
Debt service	\$ -	\$ 224,891	\$ -	\$ 224,891
Unrestricted	12,116	-	61,374	73,490
Total cash and investment fund balance - ending	\$ 12,116	\$ 224,891	\$ 61,374	\$ 298,381

The accompanying notes are an integral part of the financial information.

IRVINGTON COMMUNITY SCHOOL
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES
IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2006

	<u>Private-Purpose Trust Funds</u>
Additions:	
Contributions:	
Other	\$ 5,180
Deductions:	
Administrative and general	<u>21,096</u>
Excess (deficiency) of total additions over total deductions	(15,916)
Cash and investment fund balance - beginning	<u>48,477</u>
Cash and investment fund balance - ending	<u><u>\$ 32,561</u></u>
Net assets:	
Cash and investments	<u>\$ 32,561</u>
Total net assets - cash and investment basis held in trust	<u><u>\$ 32,561</u></u>

The accompanying notes are an integral part of the financial information.

IRVINGTON COMMUNITY SCHOOL
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES
IN CASH AND INVESTMENT BALANCES
FIDUCIARY FUNDS
For the Year Ended June 30, 2007

	<u>Private-Purpose Trust Funds</u>
Additions:	
Contributions:	\$ -
Deductions:	
Administrative and general	<u>352</u>
Excess (deficiency) of total additions over total deductions	(352)
Cash and investment fund balance - beginning	<u>32,561</u>
Cash and investment fund balance - ending	<u>\$ 32,209</u>
Net assets:	
Cash and investments	<u>\$ 32,209</u>
Total net assets - cash and investment basis held in trust	<u>\$ 32,209</u>

The accompanying notes are an integral part of the financial information.

IRVINGTON COMMUNITY SCHOOL
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

School Corporation, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Schedules

Government-Wide Financial Schedules

The Statements of Activities and Net Assets - Cash and Investment Basis display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Schedules

Fund financial schedules of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial schedules are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial schedules. Major individual governmental funds are reported as separate columns in the fund financial schedules.

The School Corporation reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The debt service fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

Additionally, the School Corporation reports the following fund type:

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the students of the School Corporation.

IRVINGTON COMMUNITY SCHOOL
NOTES TO FINANCIAL INFORMATION
(Continued)

B. Measurement Focus and Basis of Accounting

The government-wide, governmental fund and fiduciary fund financial schedules are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial schedules.

If the School Corporation utilized the basis of accounting recognized as generally accepted, the fund financial schedules for governmental funds would use the modified accrual basis of accounting, while the fund financial schedules for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund schedules to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The School Corporation has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial schedules. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to people outside the government (enterprise funds) or other departments or agencies primarily within the government (internal service funds). The School Corporation does not have any enterprise funds.

When both restricted and unrestricted resources are available for use, the School Corporation's policy is to use restricted resources first, then unrestricted resources as they are needed.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

IRVINGTON COMMUNITY SCHOOL
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Interfund Transfers

Interfund transfers for the years ended June 30, 2006 and 2007, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2006</u>	<u>2007</u>
General Fund	Debt Service Fund	\$ 65,115	\$ 156,276
Other governmental funds	Other governmental funds	<u>76</u>	<u>-</u>
Totals		<u><u>\$ 65,191</u></u>	<u><u>\$ 156,276</u></u>

The School Corporation typically uses transfers for cash flow purposes as provided by various statutory provisions.

IRVINGTON COMMUNITY SCHOOL
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 7. Pension Plan

A. Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

B. Teachers' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

IRVINGTON COMMUNITY SCHOOL
NOTES TO FINANCIAL INFORMATION
(Continued)

TRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Teachers' Retirement Fund
150 West Market Street
Indianapolis, IN 46204
Ph. (317) 232-3860

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

IRVINGTON COMMUNITY SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-04	\$ 10,923	\$ 6,538	\$ 4,385	167%	\$ 173,243	3%
07-01-05	20,522	18,702	1,820	110%	241,110	1%
07-01-06	42,747	50,631	(7,884)	84%	377,502	(2%)

IRVINGTON COMMUNITY SCHOOL
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006

	School Lunch	Textbook Rental	Donations Gifts and Trusts	Walton Grant	Cell Grant	LISC Grant	2004-2005 Title I
Receipts:							
Local sources	\$ 57,290	\$ 17,429	\$ -	\$ -	\$ 39,000	\$ -	\$ -
State sources	988	2,714	-	-	-	-	-
Federal sources	43,692	-	-	-	-	-	1,600
Bonds and loans	-	135,479	-	-	-	-	-
Total receipts	101,970	155,622	-	-	39,000	-	1,600
Disbursements:							
Current:							
Instruction	-	137,518	-	69,297	24,969	-	1,800
Support services	124,577	-	-	-	5,203	2,231	80
Total disbursements	124,577	137,518	-	69,297	30,172	2,231	1,880
Excess (deficiency) of receipts over disbursements	(22,607)	18,104	-	(69,297)	8,828	(2,231)	(280)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(76)
Total other financing sources (uses)	-	-	-	-	-	-	(76)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(22,607)	18,104	-	(69,297)	8,828	(2,231)	(356)
Cash and investments - beginning	(64,349)	(33,143)	468	69,297	-	2,231	356
Cash and investments - ending	<u>\$ (86,956)</u>	<u>\$ (15,039)</u>	<u>\$ 468</u>	<u>\$ -</u>	<u>\$ 8,828</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	<u>\$ (86,956)</u>	<u>\$ (15,039)</u>	<u>\$ 468</u>	<u>\$ -</u>	<u>\$ 8,828</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Unrestricted	<u>\$ (86,956)</u>	<u>\$ (15,039)</u>	<u>\$ 468</u>	<u>\$ -</u>	<u>\$ 8,828</u>	<u>\$ -</u>	<u>\$ -</u>

IRVINGTON COMMUNITY SCHOOL
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2006
 (Continued)

	2005-2006 Title I	Title V	Drug Free Schools	T-1 Lines	Title II	Technology Literacy	Totals
Receipts:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,719
State sources	-	-	-	-	-	-	3,702
Federal sources	56,923	-	-	-	13,415	1,238	116,868
Bonds and loans	-	-	-	-	-	-	135,479
Total receipts	56,923	-	-	-	13,415	1,238	369,768
Disbursements:							
Current:							
Instruction	56,666	-	-	-	13,415	-	303,665
Support services	-	22,434	1,388	1,553	-	1,210	158,676
Total disbursements	56,666	22,434	1,388	1,553	13,415	1,210	462,341
Excess (deficiency) of receipts over disbursements	257	(22,434)	(1,388)	(1,553)	-	28	(92,573)
Other financing sources (uses):							
Transfers in	76	-	-	-	-	-	76
Transfers out	-	-	-	-	-	-	(76)
Total other financing sources (uses)	76	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	333	(22,434)	(1,388)	(1,553)	-	28	(92,573)
Cash and investments - beginning	-	22,434	1,388	4,494	-	-	3,176
Cash and investments - ending	<u>\$ 333</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,941</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ (89,397)</u>
<u>Cash and Investment Assets - Ending</u>							
Cash and investments	<u>\$ 333</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,941</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ (89,397)</u>
<u>Cash and Investment Fund Balance - Ending</u>							
Unrestricted	<u>\$ 333</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,941</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ (89,397)</u>

IRVINGTON COMMUNITY SCHOOL
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

	School Lunch	Textbook Rental	Donations Gifts and Trusts	Cell Grant	2005-2006 Title I
Receipts:					
Local sources	\$ 75,969	\$ 22,364	\$ 1,323	\$ 100,800	\$ -
State sources	1,905	3,787	-	-	-
Federal sources	51,623	-	-	-	6,300
Total receipts	129,497	26,151	1,323	100,800	6,300
Disbursements:					
Current:					
Instruction	-	9,459	701	83,125	2,192
Support services	42,541	-	150	11,644	4,441
Total disbursements	42,541	9,459	851	94,769	6,633
Excess (deficiency) of receipts over disbursements	86,956	16,692	472	6,031	(333)
Cash and investments - beginning	(86,956)	(15,039)	468	8,828	333
Cash and investments - ending	\$ -	\$ 1,653	\$ 940	\$ 14,859	\$ -
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	\$ -	\$ 1,653	\$ 940	\$ 14,859	\$ -
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	\$ -	\$ 1,653	\$ 940	\$ 14,859	\$ -

IRVINGTON COMMUNITY SCHOOL
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS
 OTHER GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007
 (Continued)

	2006-2007 Title I	T-1 Lines	Title II	Technology Literacy	Totals
Receipts:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 200,456
State sources	-	-	-	-	5,692
Federal sources	<u>90,178</u>	<u>-</u>	<u>23,265</u>	<u>-</u>	<u>171,366</u>
Total receipts	<u>90,178</u>	<u>-</u>	<u>23,265</u>	<u>-</u>	<u>377,514</u>
Disbursements:					
Current:					
Instruction	64,364	-	-	-	159,841
Support services	<u>8,098</u>	<u>-</u>	<u>-</u>	<u>28</u>	<u>66,902</u>
Total disbursements	<u>72,462</u>	<u>-</u>	<u>-</u>	<u>28</u>	<u>226,743</u>
Excess (deficiency) of receipts over disbursements	<u>17,716</u>	<u>-</u>	<u>23,265</u>	<u>(28)</u>	<u>150,771</u>
Cash and investments - beginning	<u>-</u>	<u>2,941</u>	<u>-</u>	<u>28</u>	<u>(89,397)</u>
Cash and investments - ending	<u>\$ 17,716</u>	<u>\$ 2,941</u>	<u>\$ 23,265</u>	<u>\$ -</u>	<u>\$ 61,374</u>
<u>Cash and Investment Assets - Ending</u>					
Cash and investments	<u>\$ 17,716</u>	<u>\$ 2,941</u>	<u>\$ 23,265</u>	<u>\$ -</u>	<u>\$ 61,374</u>
<u>Cash and Investment Fund Balance - Ending</u>					
Unrestricted	<u>\$ 17,716</u>	<u>\$ 2,941</u>	<u>\$ 23,265</u>	<u>\$ -</u>	<u>\$ 61,374</u>

IRVINGTON COMMUNITY SCHOOL
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2006

	Challenge Foundation	Fundraising	Totals
Additions:			
Contributions:			
Other	\$ -	\$ 5,180	\$ 5,180
Deductions:			
Administrative and general	16,291	4,805	21,096
Excess (deficiency) of total additions over total deductions	(16,291)	375	(15,916)
Cash and investment fund balance - beginning	48,477	-	48,477
Cash and investments - June 30	<u>\$ 32,186</u>	<u>\$ 375</u>	<u>\$ 32,561</u>
Net assets:			
Cash and investments	<u>\$ 32,186</u>	<u>\$ 375</u>	<u>\$ 32,561</u>
Total net assets - cash and investment basis held in trust	<u>\$ 32,186</u>	<u>\$ 375</u>	<u>\$ 32,561</u>

IRVINGTON COMMUNITY SCHOOL
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES
 PRIVATE-PURPOSE TRUST FUNDS
 For the Year Ended June 30, 2007

	Challenge Foundation	Fundraising	Totals
Additions:			
Contributions:	\$ -	\$ -	\$ -
Deductions:			
Administrative and general	352	-	352
Excess (deficiency) of total additions over total deductions	(352)	-	(352)
Cash and investment fund balance - beginning	32,186	375	32,561
Cash and investments - June 30	<u>\$ 31,834</u>	<u>\$ 375</u>	<u>\$ 32,209</u>
Net assets:			
Cash and investments	\$ 31,834	\$ 375	\$ 32,209
Total net assets - cash and investment basis held in trust	<u>\$ 31,834</u>	<u>\$ 375</u>	<u>\$ 32,209</u>

IRVINGTON COMMUNITY SCHOOL
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
June 30, 2007

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Lease #4458	\$ 49,373	\$ 17,062
Lease #4030	58,572	49,618
Lease #4377	203,708	69,316
Lease #3879	51,458	53,906
Notes and loans payable		
Line of credit	400,000	435,000
Common school loans	1,275,497	127,449
Construction Loans	960,000	-
High school building loan	539,584	-
Lisc recoverable grant	25,000	-
Bonds payable:		
General obligation bonds:		
Elementary School Building	4,260,000	-
Total governmental activities debt	<u>\$ 7,823,192</u>	<u>\$ 752,351</u>

IRVINGTON COMMUNITY SCHOOL
EXAMINATION RESULT AND COMMENT

OVERDRAWN FUND BALANCES

The School Lunch Fund and Textbook Rental Fund were overdrawn \$86,956 and \$15,039, respectively, at June 30, 2006.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

IRVINGTON COMMUNITY SCHOOL
EXIT CONFERENCE

The contents of this report were discussed on January 28, 2008, with Timothy P. Ehrgott, President of School; David Nidiffer, Treasurer; and Cindy Sum, Accountant. The official response has been made a part of this report and may be found on page 25.



February 4, 2008

State Board of Accounts
OFFICIAL RESPONSE
302 West Washington Street
Room E418
Indianapolis, IN 46204-2765

President

Timothy P. Ehrgott

Dear Sir(s) or Madam(s):

Board of Directors

Barato L. Britt

Irvington Community School, Inc.'s OFFICAL RESPONSE to the SBoA comment on the most recent audit period ending June 30, 2007 is as follows:

Rex A. Camp

Todd A. Durnil

Leslie D. Hiner

Osman Kafrawy

Jeffrey M. Lozer

Sid Norton

Jennifer Thuma

Michael A. Welch

"Going forward, the Irvington Community School anticipates its School Lunch Fund (SLF) being overdrawn at fiscal-year end for two primary reasons: First, Irvington Community School (ICS) has a longer school year and is still conducting classes in mid-June. These federal and parent receipts are not billed until after fiscal year-end; consequently, they have not been collected by June 30th, causing the SLF to be over drawn. Second, ICS does not use a pre-pay system, nor do we collect 100% of parent receivables in less than 30 days, again causing an overdrawn balance in the SLF at fiscal year end."

Thank you,

David Nidiffer
Chief Financial Officer

Advisory Board

Thomas E. Clark

Carol D'Amico, Ed.D.

Lance A. Langsford

6705 East Julian Avenue, Indianapolis, IN 46219
317.357.5359 (voice) 317.357.9752 (fax)